

Y-12 Site Office News Release

News Media Contact: Steven Wyatt (865) 576-9918 Monday, October 2, 2006

MAJOR RELOCATION OF HIGHLY ENRICHED URANIUM COMPLETED AT Y-12 NATIONAL SECURITY COMPLEX

Significant cost savings to be achieved in securing material

OAK RIDGE, Tenn. -- The Y-12 National Security Complex has completed the relocation of a significant quantity of highly enriched uranium at the Oak Ridge, Tennessee facility, thus reducing the number of areas in the Y-12 Protected Area that require the highest levels of protection.

Relocation of this material marks another major improvement in security at Y-12 and builds upon other significant improvements put into action over the past few years. This is part of efforts at Y-12 to implement the U.S. Department of Energy Design Basis Threat (DBT). This action will significantly enhance security and lead to improved efficiency and productivity of operations.

Y-12 is a key facility in the U.S. Nuclear Weapons Complex and is responsible for ensuring the safety and reliability of the nation's nuclear weapons stockpile.

The highly enriched uranium (HEU) relocated and consolidated at Y-12 formerly was stored in Building 9204-4 (also known as Beta-4), a large production facility built during the World War II Manhattan Project. Because of the relocation to other locations within the Y-12 Protected Area, the Beta-4 facility now requires a much lower level of protection.

Ted Sherry, manager of the Y-12 Site Office, said, "By moving out of the Beta 4 facility, we have been able to redeploy our Protective Force personnel and thus reduce the amount of overtime in performing the security mission at Y-12. Productivity in Beta-4 will be enhanced by the downgrading of this facility to reduce requirements for material control and accountability."

"The cost savings that will be achieved through this relocation are huge," said Sherry. "We have saved about \$17 million alone by not having to make interim security upgrades in the Beta-4 facility. Over the long term, we will avoid spending approximately \$137

million in security costs between 2006 and 2018, when operations are scheduled to begin at the Uranium Processing Facility."

Relocation of HEU from Beta-4 is a part of efforts under way at Y-12 to relocate Quality Evaluation (QE) operations. QE is a key Y-12 mission associated with the assessment of the integrity, design compatibility and safety of the nuclear weapons stockpile. The relocation is intended to accelerate disassembly operations, consolidate materials and operations, eliminate the need to transport materials, and improve safety while meeting all security requirements. Relocation of Y-12 QE operations is expected to be completed this fall.

The HEU relocation is a major milestone in Y-12's DBT implementation plan and represents a significant cooperative effort by the Y-12 Site Office, BWXT Y-12 and Wackenhut Services, Inc. The material relocation consisted of several activities, including combining or repackaging numerous legacy items to facilitate transfer to the receiving facility. The work included the transfer of more than 600 items in 240 containers, including materials in storage areas and materials used in facility process operations. Work on the relocation began in 2005.

The mission of the NNSA's Y-12 Site Office is to ensure the safe, secure and cost-effective operation of the Y-12 National Security Complex. Y-12 is operated by BWXT Y-12, L.L.C. for NNSA. Wackenhut Services, Inc. provides protective force security services at Y-12 for NNSA.

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